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COUNTRY: CENTRAL INTELLIGENCE AGENCY

REPORT NO

INFORMATION REPORT

CD NO

COUNTRY East Germany

DATE DISTR. 18 February 1954

SUBJECT Cancellation of DMZ Kraftstoffe und Mineraloel und Derunapht Merges

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1. The previously reported plan to merge DHZ/Kraftstoffe und Mineraloel and Derunacht has apparently been abandoned. Negotiations between the two groups, which took place during November 1953, were broken off as of 4 December. No explanation was given for the dropping of the plan 1/.
2. The former Russian director of Derunacht, Kutirev (fnu)², has been named Deputy Chief of the Russian Trade Mission in East Berlin. His replacement is Staradumov (fnu).

25X1A 1/ [] Comment. It is presumed that DHZ/KuM and Derunapht will fulfill the same functions after 1 January 1954 as they have before, with the exception that Derunapht will become an East German enterprise instead of an SAG. It is possible that Derunapht will be renamed VEB Erdoel. A further possible change is that instead of the previous 60-40 proportion of liquid fuel allotments in favor of Derunapht, deliveries to the two organizations in the future will be equal.

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